

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6804**

**BILL NUMBER:** SB 432

**DATE PREPARED:** Jan 7, 2002

**BILL AMENDED:**

**SUBJECT:** Off-road vehicles.

**FISCAL ANALYST:** Bernadette Bartlett

**PHONE NUMBER:** 232-9586

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill requires the Bureau of Motor Vehicles (BMV) to provide complete registration services for off-road vehicles at license branches. The bill allows the BMV to charge for this service. It changes the fee for registration of an off-road vehicle from \$6 for three years to \$15 for two years. This bill also provides for the use of decals instead of numbers on vehicles to identify registered off-road vehicles. The bill also provides that the Department of Natural Resources may use registration fee revenue to acquire land for vehicle trails and opportunities for off-road vehicles to use public or private land.

**Effective Date:** July 1, 2002.

**Explanation of State Expenditures:** The Department of Natural Resources may use registration fee revenue to acquire land for vehicle trails and opportunities for off-road vehicles to use public or private land. The impact of this proposal will depend on action taken by the Department.

The Department would also be required to provide registration decals for approximately 5,400 vehicles per year. If the costs to the Department were \$2 per set of decals per vehicle, total costs would equal \$10,800 (\$2 \* 5,400 off-road vehicles).

The Bureau of Motor Vehicles is also required to provide registration services for off-road vehicles and to provide registration information to the Department of Natural Resources. The Bureau is allowed to impose a charge for offering the services. This charge is in addition to the registration fee. Bureau expenses could be offset by the additional fee.

**Explanation of State Revenues:** The fee to register an off-road vehicle is currently \$6 every three years. The table below shows the annual revenue generated from registrations of off-road vehicles for the last five years as well as the five-year average.

<b>Revenue Generated from Registration Fees for Off-Road Vehicles</b>	
<b>Fiscal Year</b>	<b>Revenue</b>
1997	\$21,961
1998	\$25,021
1999	\$30,751
2000	\$24,543
2001	\$58,883*
<b>Five-year Average</b>	<b>\$32,232</b>
*The Department of Natural Resources indicates that the increase in revenue for 2001 may be the result of increased processing and registration of vehicles due to the availability of additional trails.	

Revenue from the registration of off-road vehicles is currently used by the Department of Natural Resources for the enforcement, construction, and maintenance of vehicle trails.

The five-year average suggests that around 5,400 vehicles register every year. **With the fee increased from \$6 to \$15, an additional \$9 per year per vehicle or \$48,600 could be generated.**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Natural Resources and the Bureau of Motor Vehicles.

**Local Agencies Affected:**

**Information Sources:** State Auditor's Revenue Trial Balance and the Department of Natural Resources.